GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:494
ANSWERED ON:14.08.2007
TEA GARDENS
Acharia Shri Basudeb;Pallani Shamy Shri K.C .

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the number of tea gardens closed in the eastern and southern regions in the country alongwith the reasons for closure and the number of workers rendered unemployed during each of the last three years;

(b) whether the Government has started any talks with the public sector banks to work out revival strategy for the old/closed tea gardens;

(c) if so, the details and its outcome; and

(d) the steps taken to further promote the tea industry in the country?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH)

(a) As per available information as on 1.4.2007, 33 tea gardens are lying closed, of which 17 are in Kerala, 14 in West Bengal and 2 in Assam.The depressed price situation since mid-1999 coupled with other factors like high cost of production and low prices of tea have affected the viability of tea gardens resulting in the closure/abandonment of some of the tea gardens in the country. The total number of workers affected due to closure is about 31,000.

(b)&(c): The Government of India after in-depth examination of the causes of closure of tea gardens and in consultation with major public sector banks and others concerned, has recently announced a rehabilitation package for closed tea gardens. The package envisages restructuring the outstanding bank loans, waiver of accumulated penal interest on these loans, waiver of Tea Board loans, provision of fresh working capital after regularization of old accounts with the banks, provision of long term finance through Special Purpose Tea Fund Scheme of Tea Board for undertaking replanting/replacement/rejuvenation of old tea bushes and also improving the manufacturing facility in the factory through quality up-gradation scheme of Tea Board.

(d) Several Plan schemes are being implemented through the Tea Board for the overall development of the tea sector including the scheme of Special Purpose Tea Fund for financing replantation/ rejuvenation activities aimed at improving the age profile of old tea bushes.